Export of diesel

†*546. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Indian Oil Corporation, a Public Sector Company, has recently decided to export five lakh tonnes of diesel;

(b) if so, the details in this regard;

(c) whether such export would impact the supply of diesel in the country;

(d) if so, the details thereof; and

(e) the amount of profit likely to be received as a result of such export?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (b) Indian Oil Corporation (IOC) has decided to supply 2 Lakh Tonnes of diesel to M/s Bangladesh Petroleum Corporation (BPC), the National Oil Company of Bangladesh, during the period March-December 2006, of which about 0.3 Lakh Tonnes have been supplied in April, 2006. The supplies would be on delivered basis from the IOC refineries on the East Coast. During previous year about 1.4 Lakh Tonnes of diesel was exported to Bangladesh and 0.4 Lakh Tonnes to Sri Lanka. In addition, IOC has also planned to make supplies to its subsidiary M/s Lanka IOC Ltd., Sri Lanka depending on its supply-demand balance and availability of surplus during 2006-07.

(c) and (d) There would be no impact on domestic availability of diesel due to planned export of diesel by IOC. During 2005-06, as per provisional estimates, the total domestic production of diesel was 477 Lakh Tonnes as against the total consumption of diesel in the country of 402 Lakh Tonnes. The surplus production of diesel in the country was therefore exported after fully meeting the domestic demand. This year also diesel production from our refineries will exceed domestic demand and only the surplus diesel would be exported.

(e) IOC's profit from export of diesel to Bangladesh during 2005-06 is estimated at 0.69 Million USD. The profit from exports to Bangladesh during this year is likely to be of the same order.

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†Original notice of the question was received in Hindi.